

## Message Text

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11

ORIGIN EB-07

INFO OCT-01 ARA-06 ISO-00 DODE-00 L-02 TRSE-00 PM-03

CIAE-00 INR-07 NSAE-00 IGA-01 AID-05 SP-02 /034 R

DRAFTED BY DEFENSE/EJONES:STATE/EB/IFD/OMA:BGC

APPROVED BY ARA/HARYAN

EB/IFD/OMA:RJRYAN

ARA/APU:JSMITH

L/PM:TBOREK

PM/SAS:GSWEENEY

L/EB:SBOND

TREASURY:MCOOPER

----- 009309

R 212335Z MAY 75

FM SECSTATE WASHDC

TO AMEMBASSY ASUNCION

LIMITED OFFICIAL USE STATE 119305

E.O. 11652:N/A

TAGS: MASS, EFIN, PA

SUBJECT: DEBT ARREARAGES FOREIGN MILITARY SALES

REF: STATE 073997, 4/11/74

1. DOD HAS TAKEN POSITION THAT SECTION 620(Q) OF FAA IS  
APPLICABLE TO GOP BECAUSE OF  
UNPAID INTEREST IN AMOUNT OF 115,852.98 ON 1957 FMS CASE.  
SECTION 620(Q) READS AS FOLLOWS: QUOTE: NO ASSISTANCE  
SHALL BE FURNISHED UNDER THE ACT TO ANY COUNTRY WHICH  
IS IN DEFAULT DURING A PERIOD IN EXCESS OF SIX CAL-  
ENDAR MONTHS IN PAYMENT TO THE UNITED STATES OF  
PRINCIPAL OR INTEREST ON ANY LOAN MADE TO SUCH  
COUNTRY UNDER THIS ACT, UNLESS SUCH COUNTRY MEETS  
ITS OBLIGATIONS UNDER THE LOAN OR UNLESS THE  
PRESIDENT DETERMINES THAT ASSISTANCE TO SUCH  
COUNTRY IS IN THE NATIONAL INTEREST AND NOTIFIES  
THE SPEAKER OF THE HOUSE OF REPRESENTATIVES AND  
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THE COMMITTEE ON FOREIGN RELATIONS OF THE SENATE  
OF SUCH DETERMINATION. END QUOTE

THEREFORE, DOD IS IMPLEMENTING CUTOFF OF MILITARY ASSIST-  
ANCE TO GOP IN ABSENCE OF INTEREST DUE ON 1957 FMS TRANS-

ACTION.

2. THE CURRENTLY SUSPENDED UNFUNDED PORTION OF FY1975  
MAP PROGRAM IS, ACCORDING TO DOD RECORDS, AS FOLLOWS:

MATERIEL: AIRCRAFT PARTS \$40,000; SHIP SPARES \$25,000;  
COMMUNICATIONS EQUIP. \$18,837; TRACTORS \$37,275;  
GRADERS/LOADERS \$62,145; MAPS & PUBS \$3,000, TRAINING AIDS  
\$3,500; OTHER SUPPORT EQUIP. \$15,000; AUTOMOTIVE SUPPORT  
\$40,000; TOTAL \$244,757.

SERVICES: ENGINE OVERHAUL \$221,844; REPAIR & RETURN OTHER  
MATERIEL \$10,000; TOTAL \$231,844.

TRAINING: \$7,000; TOTAL UNFUNDED PROGRAM \$483,601.

3. THE FOLLOWING UNDELIVERED ITEMS FROM PREVIOUSLY FUNDED  
MAP ORDERS WOULD ALSO BE AFFECTED BY THE CUTOFF.

MATERIEL: AIRCRAFT SPARES \$43,000; SHIPS AND SPARES  
\$74,000 VEHICLES & WEAPONS \$86,000; AMMUNITION \$23,000;  
COMMUNICATIONS EQUIP. \$32,000; OTHER SUPPORT EQUIP \$228,000;  
REPAIR & RETURN \$1,000; TOTAL \$487,000.

TRAINING: \$5,000.

TECHNICAL ASSISTANCE: TOTAL UNDELIVERED BALANCE -  
ARTICLES AND SERVICES \$499,000.

4. ACCORDING TO DEPARTMENT RECORDS, GOP OWES \$115,852.98

CALCULATED AS FOLLOWS:  $239,677.96 \times 3 = 719,033$  X 16  
YEARS \$115,045.28 (2/5/57 - 2/5/73).  
 $239,677.96 \times 3 \times 41 \text{ DAYS} = 807.70$  (2/6/73 - 3/19/73)  
THIS TOTALS \$115,852.98

INTEREST IS NOT REPEAT NOT CONTINUING TO ACCRUE BECAUSE  
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GOP HAS PAID PRINCIPAL IN FULL. EMBASSY IS THEREFORE  
INSTRUCTED URGENTLY TO SO INFORM GOP.

5. IF GOP RESPONDS BY CHALLENGING VALIDITY OF THIS DEBT  
OR AMOUNT OF INTEREST OWING, EMBASSY SHOULD REQUEST ON  
URGENT BASIS COMPLETE STATEMENT OF GOP POSITION TOGETHER  
WITH SUPPORTING DOCUMENTATION FOR FORWARDING TO DEPARTMENT  
SOONEST. ALTHOUGH EMBASSY SHOULD TAKE NO INITIATIVE IN  
THE MATTER, ANY GOP PROPOSAL FOR SCHEDULING PAYMENTS  
SHOULD ALSO BE FORWARDED PROMPTLY. GOP SHOULD BE MADE  
AWARE THAT MAP DELIVERIES WILL REMAIN SUSPENDED WHILE  
DEBT REMAINS UNPAID.

6. WE ARE HOPEFUL THAT THIS OLD DEBT WILL ONCE AND FOR  
ALL BE CLEARED UP IN ORDER TO PERMIT CONTINUATION OF  
SIZABLE MAP PROGRAM WITHOUT INTERRUPTION. INGERSOLL

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<< END OF DOCUMENT >>

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 26 AUG 1999  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** MILITARY BUDGET, MILITARY SALES, MILITARY ASSISTANCE PROGRAMS, DEBTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 21 MAY 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975STATE119305  
**Document Source:** ADS  
**Document Unique ID:** 00  
**Drafter:** DEFENSE/EJONES:STATE/EB/IFD/OMA:BGC  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** n/a  
**Film Number:** D750179-0989  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t197505103/baaaakjz.tel  
**Line Count:** 115  
**Locator:** TEXT ON-LINE, TEXT ON MICROFILM  
**Office:** ORIGIN EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** GolinoFR  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 11 SEP 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <11 SEP 2003 by CunninFX>; APPROVED <03 NOV 2003 by GolinoFR>  
**Review Markings:**

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**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** n/a  
**TAGS:** MASS, EFIN, PA, US  
**To:** ASUNCION  
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